



January 26, 2006

Governor Arnold Schwarzenegger  
State Capitol Building  
Sacramento, CA 95814

Dear Gov. Schwarzenegger,

PowerLight's Executive Management, including Daniel Shugar and Howard Wenger, enjoyed meeting with you at the United Nations World Environment Day in San Francisco last June. PowerLight is the nation's leading provider of solar electric systems, and one of the fastest growing privately held companies in the U.S. We appreciate your acknowledgement at that event of our leadership in "clean" technology. You sent a clear signal to the rest of the country – and to the world – that California is serious about reducing our contributions to global warming.

I am writing on behalf of PowerLight to urge you and your administration to move forward in implementing the strategies the Climate Action Team has recommended for reducing greenhouse gas emissions in our state.

California residents and businesses will benefit from policies that support development and investment in clean, efficient energy and innovative technologies. PowerLight, a Bay Area company which employs one hundred Californians, is a prime example of the opportunity created by public policy which invests in clean energy.

California is uniquely positioned to take the lead on policies to address global warming. We support your advisors' key recommendations: mandatory emissions reporting, a coordinated investment strategy for the state's large institutional investors, and provisions for early action credit. We also recognize the tremendous need to establish a secure and stable funding source for technology development and strategies to reduce climate change, and feel that a public goods charge on transportation is a fair and equitable way to generate needed funds. Like the public goods charge on electricity, which has helped California's electricity sector become one of the cleanest in country, a public goods charge on transportation could generate a comparable level of investment in the transportation sector, which is the single biggest source of global warming pollution in our state.

You have our support, Governor Schwarzenegger, for keeping California a leader in the effort to halt global warming and avert dangerous climate change.

Sincerely,

William T. Kelly, P.E.  
Vice President, Energy Services  
**PowerLight Corporation**

Cc: Alan Lloyd, CalEPA  
Anne Baker, CalEPA  
Eileen Tutt, CalEPA

Daniel Shugar, PowerLight Corp.  
Kari Smith, PowerLight Corp.